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**FILED ELECTRONICALLY**  
**HAND DELIVERED ORIGINAL**

Mr. Charles Terreni  
Chief Clerk of the Commission  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, SC 29210

**Re: YMax Communications Corp.**  
**Docket No. 2006-85-C**  
**Our File No. 30180-0001**

Dear Mr. Terreni:

Enclosed for filing please find the Testimony of Daniel Borislow on behalf of YMax Communications Corp. By copy of this letter we are serving the same on all parties of record. The company does not intend to use telemarketing in South Carolina at this time, so no sample scripts are included. Please stamp the extra copy provided and return it with our courier. Should you need additional information, please contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.

  
Bonnie D. Shealy

/bds  
Enclosure

cc/enc: Ms. Sharon Thomas (via email & U.S. Mail)  
Mr. Peter Russo (via email & U.S. Mail)  
Margaret M. Fox, Esquire (via email & U.S. Mail)  
Wendy B. Cartledge, Staff Attorney ORS (via email & U.S. Mail)

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IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.**

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

In the Matter of the Application of	)	
<b>YMax Communications Corp.</b>	)	
for a Certificate of Public Convenience and Necessity	)	
to Provide Facilities Based Local Exchange	)	Docket No. 2006-85-C
and Resold Telecommunications Services	)	
and for Flexible Regulation of its Local Exchange	)	
Services and Alternative Regulation Of its	)	
Long Distance Service Offerings	)	
Within the State of South Carolina	)	

YMAX COMMUNICATIONS CORP.

TESTIMONY OF DANIEL BORISLOW  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

1 **Q. Will you please state your name and business address.**

2 A. My name is Daniel Borislow. My business address is 223 Sunset Avenue, Suite 223, Palm  
3 Beach, Florida 33480. My telephone number is (561) 832-3021.  
4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am the President, Chief Executive Officer, Chairman of the Board and the majority  
7 shareholder of YMax Corporation, the parent of YMax Communications Corp.  
8

9 **Q. Please give a brief description of your background and experience.**

10 A. I have more than fifteen years of experience in the telecommunications industry. In 1989 I  
11 founded Tel-Save Holdings, which was initially a long distance reseller that became the  
12 largest reseller and customer of AT&T. From Tel-Save's inception until 1999, I served as the  
13 company's Chief Executive Officer and Director. In 1995, I took Tel-Save public and utilized  
14 the equity investment to build a long distance network by strategically deploying five Lucent  
15 class 5E switches across the United States. In 1997, I negotiated exclusive marketing rights  
16 with America Online and Tel-Save became the first telecommunications company to offer  
17 services online with online customer billing, provisioning and customer service. In 1999, I  
18 resigned my positions at Tel-Save and sold my interest in the company. Prior to founding  
19 Tel-Save, I built the cable systems in the city of Philadelphia.  
20

21 **Q. What is the purpose of your testimony?**

22 A. The purpose of my testimony is to demonstrate that YMax Communications Corp. ("YMax"  
23 or "the Company") is technically, financially, and managerially capable of providing local  
24 and long distance telecommunications services in South Carolina.  
25

26 **Q. Has YMax registered to do business in South Carolina?**

27 A. Yes. YMax has authorization to conduct business in South Carolina. A copy of the Secretary  
28 of State certificate is attached to the Company's application in Attachment I.

1 **Q. Describe YMax's experience in the telecommunications business.**

2 A. The Applicant is a start-up company, and, as such, has not yet initiated operations in any  
3 state. The Applicant has applied for CLEC authority or registered as a CLEC in all states and  
4 to date has received authority in Alabama, Colorado, the District of Columbia, Florida, Iowa,  
5 Illinois, Kentucky, Maryland, Montana, North Dakota, New Hampshire, New Jersey, New  
6 York, Ohio, Oregon, Pennsylvania, Rhode Island, Texas, Washington, and Wisconsin. It has  
7 not been denied authority in any state and expects its authority to be granted in the remaining  
8 states during the next few months.

9 The Company's management team has strong managerial ability and experience in the  
10 telecommunications industry that will allow it to be a successful facilities-based local  
11 exchange provider and long distance reseller within the state of South Carolina.

12  
13 **Q. Where in South Carolina does YMax intend to offer its local services?**

14 A. By its application, YMax is seeking to offer facilities-based local service and resold long  
15 distance service statewide. However, the Company intends to initially offer services only in  
16 the service areas of BellSouth.

17  
18 **Q. Please describe the services YMax proposes to offer.**

19 A. The Company proposes to initially offer local and exchange access service, as well as resold  
20 long distance service. The Company will offer its services 24 hours a day, 7 days per week.  
21 The Company has a strong managerial and technical staff with many years of direct  
22 operational telecommunications experience. Profiles of key management staff are provided in  
23 the Company's Application as Exhibit D.

24  
25 **Q. Does YMax own any network switches or transmission facilities used in routing calls?**

26 A. The Company does not currently own any switches or transmission facilities, but proposes to  
27 initially offer its services through an unbundled network elements provided by the underlying  
28 ILECs and through the purchase of wholesale services from other carriers. The Company  
29 may install switching facilities in the future, but does not intend to install transmission  
30 facilities.

1 **Q. How will YMax bill for its services?**

2 A. YMax intends to bill its customers directly, using its in-house billing systems. The  
3 Company's name will appear on the bill and the bill will contain a toll free number for  
4 inquiries.

5  
6 **Q. How will billing errors, complaints and trouble reports be handled?**

7 A. YMax's retail customers will be able to contact the Company through a toll free telephone  
8 number for billing inquiries and questions. The Company has not yet set up this number, but  
9 will do so prior to marketing to retail customers. The retail Customer Service Department  
10 will be staffed Monday-Friday, 8:00am - 6:00pm Eastern Time.

11  
12 **Q. How will YMax effect repairs for local service?**

13 A. YMax will provide repair services using its own agents or through agents contracted for with  
14 the incumbent local exchange carrier or an independent third-party contractor.

15  
16 **Q. Describe the proposed YMax South Carolina tariffs.**

17 A. YMax included illustrative tariffs, which contain the rules, regulations and rates for YMax's  
18 local and interexchange services. YMax proposes to offer resold interexchange  
19 telecommunications services to its residential and business customers. The Company's local  
20 exchange services tariff provides descriptions and rates for local exchange services, including  
21 custom calling features. Lastly, the Company provides an exchange access tariff.

22  
23 **Q. Does YMax provide operator services?**

24 A. Yes, but only to its presubscribed customers.

25  
26 **Q. Has YMax begun negotiations with incumbent LECs in South Carolina?**

27 A. Yes. YMax has entered into a multi-state interconnection agreement with BellSouth, which  
28 has been or will soon be filed with the Commission.

29  
30 **Q. Describe YMax's financial ability to operate as a telecommunications provider.**

1 A. YMax has access to sufficient financial resources to provide the requested  
2 telecommunication services in South Carolina, the financial capability to maintain these  
3 services, and the financial capability to meet its lease and ownership obligations. Financial  
4 information was provided as Exhibit C to the Company's application and supplemental  
5 information has been provided in response to various data requests.  
6

7 **Q. Please explain the source of Ymax's financial resources.**  
8

9 A. As the majority shareholder of the Applicant's parent company, YMax Corporation, which is  
10 the sole owner of YMax Communications Corp., I have provided YMax with a \$5 million  
11 line of credit from my personal financial resources. As indicated in the affidavit filed to  
12 supplement the application, my assets currently total over \$78 million dollars, with liabilities  
13 of \$8.3 million, for a net worth of approximately \$70 million dollars. This line of credit is  
14 being used to fund the Applicant's start-up costs and initial stages of operation until it can  
15 begin to generate positive cash flow. The line of credit that I have made available is interest  
16 free and is not subject to specific repayment terms. Consequently, the Applicant will have  
17 access to adequate funding for its operations, without being saddled with a constraining debt  
18 burden.  
19

20 **Q. Please explain the financial and operational relationships between YMax**  
21 **Communications Corp. and its parent, YMax Corpooeration.**  
22

23 A. YMax Corporation was established on January 25, 2005, for the general corporate purpose of  
24 investigating telecommunications opportunities. As the majority shareholder, it was my  
25 intent that YMax Corporation would act as the holding company for any business initiatives  
26 that YMax would undertake. Note that, while I initially owned 100% of the shares of YMax  
27 Corporation, the company subsequently raised \$1,000,000 from outside investors, resulting  
28 in those investors holding 3% of the shares. I continue, however, to control 100% of the  
29 voting shares.

30 On May 25, 2005 YMax Communications Corp. was established to be the operating

1 company for YMax Corporation's telecommunication services initiatives. YMax Corporation  
2 owns 100% of YMax Communications Corp. The telecommunication assets of YMax  
3 Corporation were transferred to YMax Communication Corp. in April 2006.  
4

5 **Q. Do you believe YMax is capable of delivering its proposed services in South Carolina?**

6 A. Yes, in addition to having sufficient financial resources, the senior management team of  
7 YMax has a varied and detailed background in telecommunications.  
8

9 **Q. Where in South Carolina does YMax intend to offer its services and how will those  
10 services be offered?**

11 A. YMax intends to offer local telecommunications service throughout the BellSouth service  
12 territory area to residential and business customers. We have entered into a Stipulation with  
13 the South Carolina Telephone Coalition and agree to provide notice of our intent to provide  
14 service in the areas of the incumbent rural carriers as outlined in the Stipulation.  
15

16 **Q. How do you plan to solicit customers?**

17 A. The Company intends to solicit retail customers using agents and/or direct mail advertising.  
18 The Company is investigating other marketing channels. The company does not intend to use  
19 telemarketing in South Carolina at this time. If we decide to utilize telemarketing in the  
20 future, we will provide the Commission and ORS with sample telemarketing scripts.  
21

22 **Q. Did YMax request any waivers in its application?**

23 A. Yes. We requested waivers from any requirements that our financial records be maintained in  
24 conformance with the Uniform System of Accounts. We currently maintain our books and  
25 records in accordance with GAAP; and therefore, do not possess the detailed cost data  
26 required by USOA. In addition we requested a waiver of 26 S.C. Reg. 103-610's requirement  
27 that our books be kept in South Carolina. Our records are currently maintained in Florida.  
28 maintaining its books and records in South Carolina would be unduly burdensome. YMax  
29 has a registered agent in South Carolina and will bear any costs associated with the  
30 Commission's inspection of its books and records. We also requested to be exempt from the

1 requirement that we publish a local directory. We will make arrangements with the  
2 incumbent carrier to include our customers in the directory published by the incumbent LEC.  
3

4 **Q. Did YMax request flexible regulatory treatment for its local exchange services?**

5 A. Yes. We will be a non-dominant, competitive provider of local exchange  
6 telecommunications services. Therefore, we request that the Commission regulate our  
7 company in the same relaxed fashion authorized in Order No. 98-165 in Docket No. 97-467-  
8 C and extended to other similarly situated carriers. We understand that this flexible  
9 regulatory treatment requires that we file maximum rates for our service offerings. Local  
10 tariff filings would be presumed valid once they are filed subject to the Commission's right  
11 to investigate the filing within thirty days.

12 **Q. What Regulatory Treatment is YMax seeking in this Application for its long distance**  
13 **business services, consumer card services, private line services and operator assisted**  
14 **services offerings?**

15 A. YMax requests that all of its business service offerings be regulated pursuant to the  
16 procedures described and set out in Docket No. 95-661-C and as modified by Order No.  
17 2001-997-C in docket No. 2000-407-C. It is YMax's intent by this request to have its long  
18 distance business services, consumer card services, future private line services, and operator  
19 assisted services regulated in the same manner as this Commission has permitted for by  
20 AT&T Communications of the Southern States. Specifically, YMax requests:

- 21 a. removal of maximum rate tariff requirements for its business services, consumer  
22 card, operator service, and future private line, and customer network-type offerings;  
23



- 1           b.       that tariff filings for these uncapped offerings are presumed valid upon filing. If the  
2                   Commission institutes an investigation of a particular filing within seven days, the  
3                   tariff filing will be suspended until further order of the Commission; and  
4  
5           c.       any relaxation in the reporting requirements that may be adopted for AT&T shall  
6                   apply to YMax also.  
7

8                   We understand that the alternative regulation orders were modified by Order No.  
9                   2001-997 so that rate caps for operator-assisted calls where a consumer uses a local exchange  
10                  carrier's calling card to complete calls from locations which have not selected that local  
11                  exchange carrier as their toll provider. The order imposed a maximum cap of \$1.75 for  
12                  operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute  
13                  rate associated with these calls.  
14

15   **Q.       How will South Carolina consumers benefit from YMax's services?**

16   A.       Certification of YMax as a facilities-based provider of local exchange services will increase  
17              the level of competition in South Carolina. YMax proposes to offer quality services at  
18              competitive prices. YMax' service offerings will increase consumer choice, improve the  
19              quality and efficiency in telecommunications services and will likely lead to the reduction of  
20              consumer costs, as well as stimulate development of additional services by providing  
21              competitive incentives to other providers. Thus, granting YMax' application is in the public  
22              interest.  
23

24   **Q.       Does this conclude your testimony?**

25   A.       Yes.

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

APPLICATION OF YMAX COMMUNICATIONS	)	
CORP. FOR A CERTIFICATE OF PUBLIC	)	
CONVENIENCE & NECESSITY TO PROVIDE	)	
FACILITIES BASED LOCAL EXCHANGE,	)	DOCKET NO. 2006-85-C
RESOLD LONG DISTANCE	)	
TELECOMMUNICATIONS SERVICES,	)	
ACCESS SERVICES, AND FOR FLEXIBLE	)	
REGULATION OF ITS LOCAL EXCHANGE	)	
SERVICES AND ALTERNATIVE	)	
REGULATION OF ITS LONG DISTANCE	)	
SERVICE OFFERINGS	)	

**CERTIFICATE OF SERVICE**

This is to certify that I, Toni Hawkins, a paralegal with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **Testimony of Daniel Borislow** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Wendy B. Cartledge, Staff Attorney  
Office of Regulatory Staff  
Post Office Box 11263  
Columbia, SC 29211

Margaret M. Fox, Esquire  
McNair Law Firm, PA  
Post Office Box 11390  
Columbia, SC 29211

Dated at Columbia, South Carolina this 15th day of May, 2006.

  
Toni Hawkins